

C O P Y

14 August 1958

MEMORANDUM FOR: Chairman, EIC
FROM : Chairman, EDIC
SUBJECT : Proposed Reorganization of EDIC

1. The EDIC membership considered the proposal to reorganize economic defense intelligence in such manner as to place the functions of the subject committee within the framework of the EIC.

2. The membership of EDIC, save one, indicated approval of the proposal accepting in so doing the assurance of the Chairman that no basic change was to be made in the recent form of production assignment or in the timeliness of reporting.

3. The representative of the ACSI, however, objected to the proposal. His objection was based upon his allegation that the reorganization would interject an additional layer of control in the review process of intelligence production, that it would reduce the timeliness of reporting, and that it would tend to result in the allocation of some intelligence production to groups which were not familiar with the format and background of economic defense matters. The representative of the ACSI then suggested that the subject committee might be given greater autonomy within EIC so that it might report directly to its requestors.

4. The Chairman indicated that he thought the EIC would be loath to accept such responsibility without requisite authority. Inasmuch as timeliness of reporting was a matter of concern expressed by all members, he indicated he would seek additional assurance from the EIC, through its Secretariat, that the proposed reorganization would permit prompt production and dissemination of reports. He would further upon receiving a reply from the EIC reconvene EDIC and reach a final decision based upon this response.

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